

AMENDMENT

5959.7

Dated As Of March 1, 1972 RECORDATION NO. _____ Filed & Recorded

To

MAY 9 1972 - 11 45 AM

RAILROAD EQUIPMENT LEASE AGREEMENT INTERSTATE COMMERCE COMMISSION

Dated As Of June 15, 1971

AMENDMENT dated March 1, 1972 to Railroad Equipment Lease Agreement dated as of June 15, 1971 (hereinafter called the Lease) between FIRST WESTERN BANK AND TRUST COMPANY, of San Francisco, California, as Trustee under an Equipment Trust Agreement dated as of June 15, 1971 with CROCKER-CITIZENS NATIONAL BANK (as predecessor to Crocker National Bank), as Trustor (the Trustee being hereinafter called the Lessor), and THE WESTERN PACIFIC RAILROAD COMPANY, a California Corporation (hereinafter called the Lessee);

WHEREAS, under the Lease the Lessor has agreed to lease to the Lessee and the Lessee has agreed to lease from the Lessor the 200 railroad box cars covered thereby and described in Exhibit A thereto (hereinafter called the Equipment) for the term, at the Rent and on the terms and conditions therein contained; and

WHEREAS, the Lessor and the Lessee agree that the provisions of Section 6 of the Lease, concerning Basic Rent (as defined in the Lease) and the provisions of Section 15(b) of the Lease, concerning payment of Casualty Values (as defined in the Lease) shall be modified and amended as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

1. Section 6 of the Lease is hereby deleted in its entirety and there is hereby inserted in lieu thereof the following:

"Section 6. Basic Rent. Lessee agrees to pay Basic Rent hereunder, as follows:

(a) Daily Interim Rent. For each unit of equipment delivered to Lessee hereunder, Lessee shall pay to Lessor, in a lump sum on the Daily Interim Rent Payment Date, daily rental in an

amount equal to the Per Diem Lease Rate Percentage (as hereinafter defined in this Section 6), computed for the period beginning on the date(s) of payment by Lessor of the Lessor's Cost of such unit of equipment and ending on the Daily Interim Rent Payment Date; provided, however, that the amount of Daily Interim Rent required hereunder shall in no event (and regardless of the number of units of Equipment theretofore delivered to Lessee hereunder, the dates of such delivery, or the payment of Casualty Value for any unit or units pursuant to Section 15(c) hereof) be less than a sum equal to (i) the accrued interest on all Certificates then due (after taking into account any payments applicable to such interest which are payable by the Trustee pursuant to Section 3.02 of the Equipment Trust Certificate Purchase Agreement), plus (ii) 8-3/4% per annum computed on the amount paid by the Lessor to the Lessee under the Purchase Agreement for the period from the date of such payment until the date of payment by the Lessor to the Rebuilder under the Reconstruction Agreement.

- (b) Periodic Rent. For each unit of Equipment delivered to Lessee hereunder, Lessee shall pay to Lessor, twenty-four (24) semiannual installments of Periodic Rent, each in an amount equal to the Periodic Lease Rate Percentage (as hereinafter defined in this Section 6) of the Lessor's Cost of such unit of Equipment, payable in advance, beginning with the first such installment on January 31, 1972, and on the last day of each July and January thereafter until July 31, 1983.
- (c) Manner and Place of Payment. Lessee agrees to pay all Basic Rent to Lessor in immediately available funds at Lessor's principal corporate trust office in San Francisco, California, or such other place as shall be agreed upon by Lessor and Lessee.

(d) Variable Lease Factors. The applicable Periodic Lease Rate Percentage and Periodic Lease Rate Percentage (hereinafter called the Variable Lease Factors) shall be as set forth in the Schedule attached as Exhibit B hereto opposite their respective designations under the heading "Contingency I" (hereinafter called the Contingency I Lease Factors); provided, however, that if Lessor elects to claim depreciation deductions with respect to the Lessor's Cost of the units of Equipment under one of the methods permitted under Section 167 of the Internal Revenue Code of 1954, as amended, at the maximum rate authorized by Section 1.167- (a)-11 of the Income Tax Regulations (hereinafter called the Class Life System Regulations), then, in such case, the Variable Lease Factors shall be as set forth in the Schedule attached as Exhibit B hereto opposite their respective designations under the heading "Contingency II" (hereinafter called the Contingency II Lease Factors)."

2. All references in Section 14(b) of said Lease to the amortization deduction are deemed deleted. The portions of first paragraph of Section 14(b) from the beginning thereof up to and including the word "events:" on page 16 of the Lease shall be deleted and the following shall be inserted in place thereof:

"Indemnities for failure to obtain depreciation or interest deduction

1. If the Trustor shall (except as herein below provided) fail to obtain or have the right

to claim or shall be disallowed a depreciaiton deduction (as hereinafter defined) with respect to Lessor's Cost of any unit of Equipment in computing its taxable income for the period this Lease is in effect, computed either (1) under one of the accelerated methods of depreciation provided in Section 167 of the Internal Revenue Code of 1954, as amended to the date of the Lease or (2) one of the methods permitted under Section 167(m) of the Internal Revenue Code of 1954, as amended to the date of this Amendment of the Lease, (whichever of the foregoing items (1) or (2) the Lessor shall have elected being hereinafter called the depreciation deduction) or shall for any reason (except as hereinbelow provided) fail to obtain, or to have the right to claim, or shall be disallowed, a deduction with respect to amounts paid or accrued as interest on the Certificates in computing its taxable income for the period the Certificates are outstanding, as provided in Section 163(a) of the Internal Revenue Code of 1954, as amended to the date of this Amendment of the Lease, except for any inability to obtain or to have the right to claim such deductions because of the occurrence of any of the following events;"

3. Section 15(b) shall be deleted in its entirety and there shall be inserted in lieu thereof the following:

"(b) Amount Payable to Lessor. Except as provided in Section 15(c), on the date specified in Section 6 for payment of the installment of Basic Rent which next occurs ten (10) or more business days following the date of such Casualty Occurrence, Lessee shall pay to Lessor (in addition to the Basic Rent payment due on such date) the Casualty Value of such unit of Equipment, determined as of the date of such payment. The Casualty Value of each unit of Equipment as of any Basic Rent payment date shall be the Casualty Value percentage of the Lessor's Cost of such unit of Equipment as is set forth in the Schedule attached as Exhibit B hereto opposite the number of such Basic Rent payment date in the column containing the Variable Lease Factors pursuant to which the Basic Rent hereunder shall have been computed as provided in Section 6 hereof."

4. Exhibit B to the Lease is deleted in its entirety and there shall be inserted in lieu thereof the following:

" EXHIBIT B TO LEASE

	<u>Contingency I</u>	<u>Contingency II</u>
Per Diem Lease Rate Percentage	.0312671%	.0310348%
Periodic Lease Rate Percentage	5.62807%	5.58626%
Casualty Value		
Percentage as of		
Basic Rent Payment No.		
1	104.8368	105.6091
2	103.6977	104.8607
3	101.9754	103.2966
4	100.3146	101.6744
5	98.1371	99.3748
6	95.9976	97.0717
7	89.2905	90.2488
8	86.7394	87.5893
9	83.7593	84.4929
10	88.8826	81.4943
11	73.5119	73.9965
12	70.3214	70.6754
13	66.7161	66.9369
14	63.2220	63.3083
15	55.2462	55.1982
16	51.4571	51.2761
17	47.2647	46.9536
18	43.1896	42.7602
19	38.7174	38.1931
20	34.3656	33.7689
21	29.6230	28.9827
22	25.0042	24.3410
23	20.0010	19.3349
24	15.1268	15.0000
Thereafter	15.0000	15.0000

5. The Lease remains unchanged in all other respects.

IN WITNESS WHEREOF, the Lessor and the Lessee, each pursuant to due corporate authority, have caused this instrument to be duly executed as of the date first above written.

(Corporate Seal)

FIRST WESTERN BANK AND TRUST COMPANY,
as Trustee under the Western Pacific
Railroad Equipment Trust No. 1

By *Eugene M. [Signature]*

Its Vice President & Trust Officer

Attest:

Howard B. Smith & Chattan
Assistant Secretary

(Corporate Seal)

THE WESTERN PACIFIC RAILROAD
COMPANY

By *J. H. [Signature]*

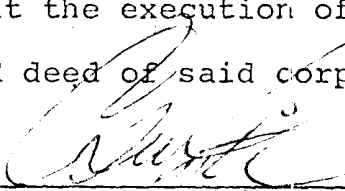
Its Vice President - Finance

Attest:

Katharine M. Giffin
Assistant Secretary

STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF SAN FRANCISCO)

On the 1st day of May, 1972, before
me personally appeared EDGAR H. CANFIELD, to
me personally known, who being duly sworn, says that he is a
_____ of First Western Bank and Trust
Company; that the seal affixed to the foregoing instrument is the
corporate seal of said corporation, that said instrument was signed
and sealed on behalf of said corporation by authority of its Board
of Directors, and he acknowledged that the execution of the fore-
going instrument was the free act and deed of said corporation.

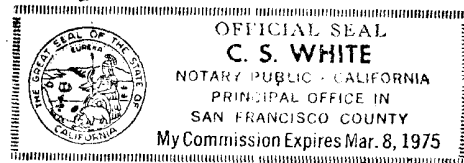


Notary Public

(Notarial Seal)

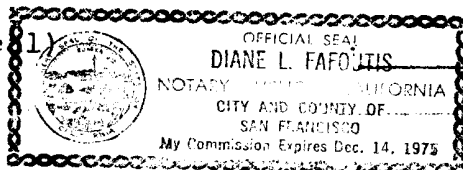
My commission expires:


STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF SAN FRANCISCO)



On the 26th day of April, 1972, before me
personally appeared F. A. TEGELER, to
me personally known, who being duly sworn, says that he is a
Vice President-Finance of The Western Pacific Railroad Company;
that the seal affixed to the foregoing instrument is the corporate
seal of said corporation, that said instrument was signed and sealed
on behalf of said corporation by authority of its Board of Directors,
and he acknowledged that the execution of the foregoing instrument
was the free act and deed of said corporation.

(Notarial Seal)





Notary Public